

FINANCE (1909-10) ACT, 1910 (ADDITIONAL TAXATION)
(IRELAND).

MEMORANDUM on the ESTIMATED TRUE IRISH CONTRIBUTION to the REVENUE
of the YEAR 1912-13 in respect of NEW and ADDITIONAL TAXATION imposed
by the FINANCE (1909-10) ACT, 1910.

Presented to the House of Commons by Command of His Majesty.



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FINANCE (1909-10) ACT, 1910 (ADDITIONAL TAXATION) (IRELAND).

In the following memorandum an attempt is made to estimate the true Irish contribution to the revenue of the year 1912-13 in respect of the new and additional taxation imposed by the Finance (1909-10) Act, 1910. The method adopted for estimating the yield of increased duties has been to frame for each head of revenue an estimate of the Irish contribution in 1912-13 on the basis of the duty in force before the passing of the Act, the excess of the actual contribution in 1912-13 over this estimate being the estimated contribution in respect of the increased duties. It must be borne in mind that while the Irish contribution to Imperial Taxes is known approximately, there is a large area of taxation in regard to which, with the existing data and the existing administrative machinery, no exact calculations are possible. The figures must, therefore, to a large extent, be regarded as approximate only, though they represent the best information at the disposal of the Government.

The figures relating to the Irish contribution 1912-13 are of later date than, and are intended to replace, the provisional estimates given in Command Paper 6844 of this session.

Estimated True Irish Contribution to the Revenue of the Year 1912-13 in respect of the New and Increased Duties imposed by the Finance (1909-10) Act, 1910.

Head of Duty.	Irish Contribution, 1909-10.	Irish Contribution, 1912-13.	Excess or Deficit shown by comparison of 1912-13 with 1909-10.	Estimated Irish Contribution in 1912-13 on the Basis of Duties in force before the Finance (1909-10) Act, 1910.	Estimated Irish Contribution to New and Increased Duties imposed by Finance (1909-10) Act, 1910.
CUSTOMS AND EXCISE.	£	£	£	£	£
Spirits - - - -	2,268,000	2,262,000	- 6,000	2,090,000(a)	182,000
Tobacco - - - -	1,409,000	1,778,000	+ 469,000	1,493,000(b)	285,000
Moss Spirit - - -	—	24,000	+ 24,000	—	24,000
Liquor Licences (including Club Duty).	167,000	231,000	+ 64,000	165,000(c)	66,000
Other Licences - -	47,000	65,000	+ 18,000	48,000(c)	17,000
INLAND REVENUE.					
Excise, &c. Duties - -	716,000	987,000	+ 271,000	747,000(d)	240,000
Stamp - - - -	311,000	872,000	+ 61,000	238,000	89,000(e)
Income Tax (including Super Tax).	1,154,000	1,684,000	+ 530,000	1,306,000	278,000(f)
Land Value Duties - -	—	5,000	+ 5,000	—	5,000
	5,972,000	7,208,000	1,236,000	6,072,000	1,136,000

NOTES.

(a) *Spirits*.—The system of "permits" enables the quantities of spirits "retained for consumption" in England, Scotland, and Ireland respectively, and therefore the true contribution of each country to the spirit revenue, to be accurately ascertained. In 1912-13 the total spirit revenue was 22,399,000*l.*, and the Irish contribution 2,262,000*l.*, almost exactly 10 per cent. It is estimated, on grounds explained in paper C.A. 5809 of 1913, that the total spirit revenue of 1912-13, if the duty had not been raised in 1909, would have been 20,800,000*l.* The true Irish revenue on the same basis is therefore estimated at 2,090,000*l.*

(b) *Tobacco*.—The estimated Irish contribution in 1908-9 is based on data obtained for the year 1903-4, and the estimated contribution for 1912-13 on data obtained for the year 1910-11. It is estimated that, if the duty had not been raised in 1909, the total revenue of the United Kingdom in 1912-13 would have been 14,500,000*l.*, in which case the Irish contribution, on the basis of the 1910-11 data, would have been 1,493,000*l.*

(c) *Liquor Licences and Other Licences*.—The receipts from Liquor Licences in Ireland were declining before the alterations of duties made by the 1909 Budget, but the receipts from Other Licences were slightly increasing.

(d) Based on net capital charge with duty at the various rates in force before the Finance (1909-10) Act, 1910.

(e) Based on statistics showing the revenue derived from certain classes of deeds where the Stamp Duties were increased by the Finance (1909-10) Act, 1910.

(f) Based on the estimated contribution to Super Tax together with the tax received in respect of the increase of 2*d.* in the £ imposed by the Finance (1909-10) Act, 1910, after deduction of amount allowed by way of relief for children.

Comparison of Estimates now framed with those given in House of Commons Paper 128 of 1910.

In House of Commons Paper 128 of 1910 an estimate was given of the annual Irish contribution to the revenue to be derived from the new and additional taxation imposed by the Finance (1909-10) Act, 1910, when the duties should have become fully productive. The estimate was exclusive of Spirits, Liquor Licences, and Land Value Duties, and, as regards Motor Spirit and Motor Car Licences, no allowance was made for the probable growth in the number of cars. The figures given in House of Commons Paper 128 of 1910 and in this Paper may be compared as follows:—

Yield of New and Increased Duties.	As estimated in H.C. 128 of 1910.	As estimated in this Paper.
	£	£
(i) On Tobacco, Estate Duty, Stamps, and Income Tax (including Super Tax) -	578,000	842,000
(ii) On Motor Spirit and Motor Car Licences -	34,000 (incomplete estimate).	41,000
(iii) On Spirits, Liquor Licences, and Land Value Duties -	Not estimated	230,000
	602,000	1,113,000